

HOUSE BILL NO. 583

INTRODUCED BY M. JOPEK

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3
4 A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING THE OPENCUT MINING ACT; AMENDING
5 DEFINITIONS AND TERMINOLOGY; EXPANDING EXEMPTIONS; PROVIDING FOR SUSPENSION AND
6 REVOCATION ORDERS; ELIMINATING APPLICATION FEES; REVISING APPEAL PROVISIONS; AMENDING
7 SECTIONS 82-4-402, 82-4-403, ~~82-4-405~~, 82-4-406, 82-4-422, 82-4-424, 82-4-425, 82-4-426, 82-4-427,
8 82-4-431, 82-4-432, 82-4-433, 82-4-434, 82-4-436, AND 82-4-441, MCA; AND REPEALING SECTIONS 82-4-421
9 AND 82-4-423, MCA."

10
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12
13 NEW SECTION. **Section 1. Annual report.** For each permitted operation, the operator shall file an
14 annual report on a form furnished by the department. The report must contain the information and be submitted
15 at times provided in rules of the board.

16
17 **Section 2.** Section 82-4-402, MCA, is amended to read:

18 **"82-4-402. Intent, findings, and policy.** (1) The legislature, mindful of its constitutional obligations under
19 Article II, section 3, and Article IX of the Montana constitution, has enacted The Opencut Mining Act. It is the
20 legislature's intent that the requirements of this part provide adequate remedies for the protection of the
21 environmental life support system from degradation and provide adequate remedies to prevent unreasonable
22 depletion and degradation of natural resources.

23 (2) Because the extraction and use of opencut materials is important to the economy of this state, it is
24 the policy of this state to provide for the reclamation and conservation of land subjected to opencut ~~materials~~
25 mining operations. Therefore, it is the purpose of this part:

- 26 (a) to preserve natural resources;
- 27 (b) to aid in the protection of wildlife and aquatic resources;
- 28 (c) to safeguard and reclaim through effective means and methods all agricultural, recreational, home,
29 and industrial sites subjected to or that may be affected by opencut ~~materials~~ mining operations;
- 30 (d) to protect and perpetuate the taxable value of property through reclamation;

- 1 (e) to protect scenic, scientific, historic, or other unique areas; and
 2 (f) to promote the health, safety, and general welfare of the people of this state."

3

4 **Section 3.** Section 82-4-403, MCA, is amended to read:

5 **"82-4-403. Definitions.** When used in this part, unless a different meaning clearly appears from the
 6 context, the following definitions apply:

7 (1) "Affected land" means the area of land and land covered by water that is disturbed by opencut mining
 8 operations, including the area from which overburden or ~~material~~ materials are to be or has have been removed
 9 and upon which the overburden is to be or has been deposited, existing private roads that are used and roads
 10 constructed to gain access to the ~~material~~ materials, areas of processing facilities on or contiguous to the opencut
 11 mine, treatment and sedimentation ponds, soil and material materials stockpile areas on or contiguous to the
 12 opencut mine, and any other surface or subsurface disturbance associated with opencut operations. For the
 13 purposes of this subsection, an existing private road may be included as affected land only with the landowner's
 14 consent.

15 (2) "Amendment" means a change to the approved permit.

16 ~~(2)~~(3) "Board" means the board of environmental review provided for in 2-15-3502.

17 ~~(3)~~(4) "Department" means the department of environmental quality provided for in 2-15-3501.

18 ~~(4)~~ "Final cut" means the last pit created in an opencut mined area.

19 (5) "Landowner" means the ~~owner of~~ holder of legal title to land subjected to an ~~opencut-mining~~ opencut
 20 operation.

21 (6) "Materials" means bentonite, clay, scoria, peat, sand, soil ~~materials, or gravel,~~ or mixtures of those
 22 substances.

23 (7) "Opencut mining operation" means the ~~mining of materials by~~ following activities, if they are
 24 conducted for the primary purpose of sale or utilization of materials:

25 (a) (i) removing the overburden ~~lying upon natural deposits of materials~~ and mining directly from the
 26 exposed natural deposits; or

27 ~~(b)~~(ii) mining directly from natural deposits of materials;

28 (b) mine site preparation, including access;

29 (c) processing of materials within the area that is to be mined or an area immediately adjoining

30 CONTIGUOUS TO the area that is to be mined OR THE ACCESS ROAD;

1 ~~(d) transportation of materials within the permit area~~ ON AREAS REFERRED TO IN SUBSECTIONS (7)(A)
2 THROUGH (7)(C);

3 ~~(e) storing or stockpiling of materials at or immediately adjoining an area included in subsection (7)(e)~~
4 ~~or (7)(f)~~ ON AREAS REFERRED TO IN SUBSECTIONS (7)(A) THROUGH (7)(C);

5 ~~— (f) processing of materials within 1,000 feet of an area on which an activity listed in subsections (7)(a)~~
6 ~~through (7)(e) occurs;~~

7 ~~(g)(F)~~ reclamation of affected land; and

8 ~~(h)(G) any other associated surface or subsurface activity conducted on an area immediately adjoining~~
9 ~~the area to be mined~~ ON AREAS REFERRED TO IN SUBSECTIONS (7)(A) THROUGH (7)(C).

10 (8) "Operator" means a person engaged in or controlling an ~~opencut mining~~ opencut operation. When
11 a permit has been issued for an operation, a person who removes materials from the site under the control of the
12 operator is not considered an operator.

13 (9) "Overburden" means ~~all of the earth and other materials that lie~~ lies above a natural deposit of
14 materials.

15 (10) "Person" means:

16 (a) a natural person;

17 (b) a firm, association, partnership, cooperative, or corporation;

18 (c) a department, agency, or instrumentality of the state or any governmental subdivision; or

19 (d) any other entity.

20 (11) "Plan of operation" means a plan that:

21 (a) meets the requirements of 82-4-434; and

22 (b) contains a description of current land use, topographical data, hydrologic data, soils data, proposed
23 mine areas, proposed mining and processing operations, proposed reclamation, and appropriate maps.

24 ~~(11)(12)~~ "Processing facilities" means:

25 (a) ~~all~~ crushers, screens, and pug mills; ~~and~~

26 (b) asphalt, wash, or and concrete plants; ~~and~~

27 (c) other equipment used in processing opencut materials.

28 ~~(12) "Progress report" means a report on a form provided by the department, with appropriate maps, that~~
29 ~~shows:~~

30 ~~— (a) any change in ownership or control of the affected land and includes a landowner consent form if a~~

1 change has occurred;

2 ~~—— (b) any change in personnel who are in charge of the operation or responsible for reclamation;~~

3 ~~—— (c) any change in any contractors or subcontractors who will be working at the site; and~~

4 ~~—— (d) all land that has been affected by the operation.~~

5 (13) "Reclamation" means the reconditioning of the area of land affected land by opencut-mining
6 operations to make the area suitable for productive use, including but not limited to forestry, agriculture, grazing,
7 wildlife, recreation, or residential and or industrial sites development.

8 (14) "Reclamation plan" means a plan that:

9 ~~—— (a) meets the requirements of 82-4-434; and~~

10 ~~—— (b) contains a description of current land use, topographical data, water data, soils data, leased areas,
11 and intended mine areas and an explanation of proposed reclamation of the land, including appropriate maps.~~

12 ~~—— (15) "Refuse" means all waste material directly connected with the opencut-mining operations.~~

13 (16)(14) "Soil materials" are those horizons that contain topsoil or other soils leached free of deleterious
14 salts; "Soil" means the dark or root-bearing surface matter that has been generated through time by the
15 interaction of biological activity, climate, topography, and parent material and that are is capable of sustaining
16 plant growth; and that are is recognized and identified as such by standard authorities and methods.

17 (17) "Spoil" means the overburden that is disturbed from its natural state in the process of opencut
18 mining."

19

20 ~~—— **Section 4.** Section 82-4-405, MCA, is amended to read:~~

21 ~~—— **"82-4-405. Inapplicability to government.** The provisions of this part relating to fees or bonds do not
22 apply to the federal government or its agencies, the state of Montana, counties, cities, or towns."~~

23

24 **Section 4.** Section 82-4-406, MCA, is amended to read:

25 **"82-4-406. Exemption -- opencut operations on federal and state lands.** This part is not applicable
26 to operations on certain federal and state lands as specified by the board, provided it is first determined by the
27 board that federal law laws, or regulations, or rules administered or issued by the federal agency or state agency
28 administering or having jurisdiction over the affected land impose controls for reclamation of opencut operations
29 on those lands equal to or greater than those imposed by this part."

30

1 **Section 5.** Section 82-4-422, MCA, is amended to read:

2 **"82-4-422. Powers, duties, and functions.** (1) The department has the powers, duties, and functions
3 to:

4 (a) issue permits when, ~~it is found~~ on the basis of the information set forth in the application and an
5 evaluation of the ~~operation proposed opencut operations,~~ by the department finds that the requirements of this
6 part and rules adopted to implement this part will be observed ~~and that the operation and the reclamation of the~~
7 ~~affected area can be carried out consistently with the purpose of this part;~~

8 (b) amend permits in accordance with the provisions of 82-4-436;

9 (c) reclaim any affected land with respect to which a bond has been forfeited; ~~and~~

10 (d) make investigations or inspections that are considered necessary to ensure compliance with any
11 provision of this part; and

12 (e) enforce and administer the provisions of this part and issue orders necessary to implement the
13 provisions of this part.

14 (2) The board shall:

15 (a) adopt rules that pertain to opencut mining operations in order to accomplish the purposes of this part;

16 (b) adopt rules:

17 (i) establishing uniform procedures for filing of necessary records;

18 (ii) providing procedures for the issuance of permits; and for any other matters of administration not
19 specifically enumerated in this part filing of annual reports; and

20 (iii) providing other administrative requirements that the board considers necessary to implement this part;

21 and

22 (c) conduct hearings and, for the purposes of conducting those hearings, administer oaths and
23 affirmations, subpoena witnesses, compel attendance of witnesses, hear evidence, and require the production
24 of any books, papers, correspondence, memoranda, agreements, documents, or other records relevant or
25 material to the inquiry."

26

27 **Section 6.** Section 82-4-424, MCA, is amended to read:

28 **"82-4-424. Receipt and expenditure of funds -- disposition of fees, fines, penalties, and other**
29 **money.** (1) The department may receive any federal funds, state funds, or any other funds for the reclamation
30 of ~~land~~ affected land ~~by opencut mining~~. The department may cause the reclamation work to be done by its

1 employees, by employees of other governmental agencies, by soil conservation districts, or through contracts
2 with qualified persons.

3 (2) All ~~fees, fines, penalties, and other money~~ paid under the provisions of this part must be deposited
4 in the environmental rehabilitation and response account in the state special revenue fund provided for in
5 75-1-110. Funds held by the department as bond or as a result of bond forfeiture that are no longer needed for
6 reclamation and for which the department is not able to locate a surety or other person who owns the funds after
7 diligent search must be deposited in the environmental rehabilitation and response account in the state special
8 revenue fund."

9

10 **Section 7.** Section 82-4-425, MCA, is amended to read:

11 **"82-4-425. Inspection of opencut mining operations.** The department or its accredited representatives
12 may enter upon lands subjected to opencut mining operations at all reasonable times for the purpose of
13 inspection to determine whether the provisions of this part have been complied with."

14

15 **Section 8.** Section 82-4-426, MCA, is amended to read:

16 **"82-4-426. Reclamation of land on which bond forfeited.** In keeping with the provisions of this part,
17 the department may reclaim any affected ~~lands~~ land with respect to which a bond has been forfeited. ~~If the~~
18 ~~amount of the forfeited bond exceeds the cost of reclamation, the excess must be deposited in the environmental~~
19 ~~rehabilitation and response account in the state special revenue fund provided for in 75-1-110."~~

20

21 **Section 9.** Section 82-4-427, MCA, is amended to read:

22 **"82-4-427. Hearing -- appeal -- venue.** (1) A person ~~who is aggrieved~~ whose interests are or may be
23 adversely affected by a final decision of the department to approve or disapprove a permit application and
24 accompanying material or a permit amendment application and accompanying material under this part is entitled
25 to a hearing before the board, if a written request stating the reasons for the appeal is submitted to the board
26 within 30 days of the department's decision.

27 (2) An operator may request a hearing before the board on:

28 (a) a final decision of the department director pursuant to 82-4-436(4) by submitting a request for a
29 hearing within 15 days of receipt of notice of the director's decision; and

30 (b) an order of suspension or revocation issued under [section 47 16] by filing a request for hearing

1 within 30 days of receipt of the decision.

2 (3) The operator or the landowner may request a hearing before the board on a decision on a bond
3 release application.

4 (4) The contested case provisions of the Montana Administrative Procedure Act, Title 2, chapter 4, part
5 6, apply to a hearing held under this section.

6 ~~(3)(5) An action to challenge the issuance of a permit~~ A petition for judicial review of a board decision
7 made pursuant to this section must be brought in the county in which the permitted activity is proposed to occur
8 or, if mutually agreed upon by both parties in the action, in the first judicial district, Lewis and Clark County. If an
9 activity is proposed to occur in more than one county, the action may be brought in any of the counties in which
10 the activity is proposed to occur.

11 ~~(4)(6) A judicial challenge to a permit issued pursuant to this part by a party other than the permit holder~~
12 ~~or applicant~~ The petition for judicial review must include the party to whom the permit was issued or the applicant
13 unless otherwise agreed to by the permit holder or applicant. All judicial challenges of permits for projects with
14 a project cost, as determined by the court, of more than \$1 million must have precedence over any civil cause
15 of a different nature pending in that court. If the court determines that the challenge was without merit or was for
16 an improper purpose, such as to harass, to cause unnecessary delay, or to impose needless or increased cost
17 in litigation, the court may award attorney fees and costs incurred in defending the action."
18

18

19 **Section 10.** Section 82-4-431, MCA, is amended to read:

20 **"82-4-431. Permit for mining, processing, and reclamation required.** (1) An operator may not
21 conduct ~~opencut mining operations~~ an opencut operation that ~~result~~ results in the removal of a total of 10,000
22 cubic yards or more of materials and overburden until the department has issued a permit to the operator ~~for the~~
23 ~~reclamation of the land affected. A person~~ An operator may not, without a permit, remove materials or overburden
24 from a site from which a total of 10,000 cubic yards or more of materials and overburden in the aggregate has
25 been removed. An operator conducting a number of opencut operations, each of which results in the removal of
26 less than 10,000 cubic yards of materials and overburden but that result in the removal of 10,000 cubic yards or
27 more of materials and overburden in the aggregate, is subject to the provisions of this part, except as provided
28 in this section.

29 (2) Except as provided in or conditioned under subsections (3) and (4), an operator who holds a permit
30 ~~for reclamation under this part~~ may operate ~~conduct~~ an opencut mine operation without first securing an additional

1 permit or an amendment to ~~the an~~ existing permit ~~or bond~~ if the mine opencut operation meets the following
 2 criteria:

3 (a) the total amount of materials and overburden removed from the site does not exceed ~~2,500~~ 5,000
 4 cubic yards and the total area from which the materials and overburden are removed does not exceed 2.5 acres;
 5 and

6 (b) the operator:

7 (i) ~~notifies~~ submits information on the site and proposed plan of operation on a form provided by the
 8 ~~department prior to beginning operations~~ the opencut operation APPROPRIATE SITE AND OPENCUT OPERATION
 9 INFORMATION; and;

10 (ii) ~~within 30~~ 180 days of ~~notifying the department,~~ submits a completed site information submitting the
 11 form, salvages and stockpiles all root-bearing soil materials from the area to be disturbed, removes the materials,
 12 regrades grades the affected area land to 3:1 or flatter slope and slopes, blends the ~~reclaimed area~~ graded land
 13 into the adjacent surrounding topography, ~~and during the first appropriate growing season,~~ replaces an
 14 appropriate amount of overburden and all topsoil and soil, and reclaims to conditions present prior to mining all
 15 access roads used for the operation, unless the landowner requests in writing that specific roads or portions of
 16 the roads remain open. Roads left open at the landowner's request must be sized to support the use of the road
 17 after opencut operations.

18 (iii) ~~reseeds or revegetates as required by the department~~ at the first seasonal opportunity, seeds or
 19 plants all affected land to vegetative species that meet the requirements of 82-4-434.

20 (3) The department may refuse to approve an application for issuance of a permit under subsection (1)
 21 ~~or allow~~ may prohibit the operator ~~to operate~~ from conducting an opencut mine operation under ~~subsections (1)~~
 22 ~~and subsection~~ (2) if, at the time of notification by the operator to the department, the operator has a pattern of
 23 violations or is in current violation of this part, rules adopted under this part, or provisions of a permit ~~for~~
 24 ~~reclamation.~~

25 (4) The department may require an additional bond as a condition for the conduct of an opencut
 26 ~~operation of an opencut mine~~ under subsection (2).

27 (5) Opencut mines operations described in subsection (2) may not ~~be placed~~ occur:

28 (a) in ~~flowing,~~ ephemeral, ~~or intermittent,~~ or perennial streams;

29 (b) ~~in the bottom or head of a confined drainage;~~

30 (c) ~~(b)~~ in an area where the ~~operation~~ opencut operation will intercept surface water, ground water, or

1 intercept any slope that is naturally steeper than 3:1; or

2 ~~(d)~~(c) in any area where mining would be restricted by other laws.

3 (6) Sand and gravel opencut ~~mines~~ operations must meet applicable local zoning regulations adopted
4 under Title 76, chapter 2."

5

6 **Section 11.** Section 82-4-432, MCA, is amended to read:

7 **"82-4-432. Application for permit -- contents -- issuance -- amendment.** (1) Applications An
8 application for a permit must be made ~~upon a form~~ using forms furnished by the department. ~~The form~~ and must
9 contain the following:

10 (a) the name of the ~~operator~~ applicant and, if other than the owner of the land, the name and address
11 of the owner;

12 (b) the type of operation to be conducted;

13 (c) the estimated volume of ~~earth~~ overburden and materials to be removed, ~~as accurately as the volume~~
14 ~~may then be estimated, and the volume that has been previously removed, if any;~~

15 (d) the location of the proposed opencut operation by legal ~~subdivision, section, township and range,~~
16 description and county;

17 (e) the date when the ~~operation was or will be commenced~~ opencut operation is proposed to commence;
18 and

19 (f) a statement that the applicant has the legal right ~~and power, by legal estate owned, to mine, by~~
20 ~~opencut mining, to mine the designated materials in~~ the lands described.

21 (2) The application must be accompanied by:

22 (a) a bond or security meeting the requirements as set out in this part;

23 ~~(b) a fee of \$50 for an application to mine bentonite, clay, scoria, sand, or gravel;~~

24 ~~(e)~~(b) a statement from the local governing body having jurisdiction over the area to be mined certifying
25 that ~~a~~ the proposed sand and gravel opencut ~~mine and its operating and reclamation plans comply~~ operation
26 complies with applicable local zoning regulations adopted under Title 76, chapter 2; ~~and~~

27 ~~(d)~~(c) ~~the operator's plan of operation and a complete reclamation plan~~ a plan of operation that meets
28 the requirements of 82-4-434; and

29 (d) written documentation that the landowner has been consulted about the proposed plan of operation.

30 (3) If, prior to applying for a permit, a person notifies the department of the intention to submit an

1 application and requests ~~that~~ the department to examine the area to be mined, the department shall ~~cause the~~
 2 ~~area to be examined~~ examine the area and make recommendations to the person regarding ~~reclamation the~~
 3 proposed opencut operation. The person may request a meeting with the department. The department shall hold
 4 a meeting if requested.

5 (4) (a) Except as provided in 75-1-208(4)(b), upon receipt of an application containing all items listed in
 6 subsections (1) and (2), the department shall, within ~~45~~ 30 days, review the application, inspect the proposed site,
 7 and notify the person whether or not the department believes that the application is ~~complete~~ acceptable. An
 8 application is acceptable if it complies with all requirements of subsections (1) and (2). If the department
 9 determines that the application is not ~~complete~~ acceptable, the department shall include in the notification a
 10 detailed identification of all deficiencies.

11 (b) Within 30 days of receipt of ~~a complete application~~ the applicant's responses to the identified
 12 deficiencies, the department shall notify the applicant if it ~~has approved or denied~~ the application is acceptable
 13 or not. If the ~~department denies the~~ application is unacceptable, the notice must include a detailed explanation
 14 ~~describing why the application was denied~~ of the remaining deficiencies.

15 (c) The department may for sufficient cause extend ~~its period of review~~ either or both of the 30-day review
 16 periods for an additional 30 days if it notifies the ~~person~~ applicant of the extension prior to the end of the
 17 respective original 30-day period. The department shall include in the notification of extension the reason for the
 18 extension.

19 (d) ~~Upon approval of~~ If the application is acceptable, the department shall issue a permit to the operator
 20 that entitles the operator to ~~continue or~~ engage in the opencut mining operation on the land described in the
 21 application.

22 (5) An operator ~~desiring to have a permit amended to cover additional contiguous or nearby land may~~
 23 ~~file an amended~~ may amend a permit by submitting an amendment application ~~with~~ to the department. Upon
 24 receipt of the ~~amended application and any additional bond that may be required and upon agreement to the~~
 25 ~~terms of the amendment by the parties,~~ amendment application, the department shall review it in accordance with
 26 the requirements and procedures in subsection (4). If the amendment application is acceptable, the department
 27 ~~may~~ shall issue an amendment to the original permit covering the additional land ~~described in the amended~~
 28 ~~application without the payment of any additional fee.~~

29 ~~———~~ (6) An operator ~~may withdraw any land covered by a permit, except affected land, by notifying the~~
 30 ~~department of the withdrawal, in which case the penalty of the bond or security filed by the operator pursuant to~~

1 ~~the provisions of this part must be reduced proportionately."~~

2

3 **Section 12.** Section 82-4-433, MCA, is amended to read:

4 **"82-4-433. Bond.** (1) ~~A bond required to be filed under this part by the operator must be in a form that~~
 5 ~~the department prescribes; Before a permit or permit amendment may be issued, a surety bond made payable~~
 6 ~~to the state of Montana and conditioned upon the operator's full compliance with all requirements of this part, the~~
 7 ~~rules of the board adopted under this part, and the permit must be submitted to and approved by the department.~~
 8 ~~The bond must be signed by the landowner or operator, as appropriate; applicant as principal; and by a good and~~
 9 ~~sufficient corporate surety licensed to do business in the state of Montana; as surety. The bond must be in an~~
 10 ~~amount not to exceed the costs of restoration required by this part as determined by the department. The amount~~
 11 ~~of the bond may not be less than \$200 or more than \$1,000 an acre unless the department determines, in writing,~~
 12 ~~that the cost of restoration of the land exceeds \$1,000 an acre. Upon the cost determination, the~~ The ~~bond~~
 13 ~~amount must be set~~ determined ~~by the department at the cost of restoring the~~ reclamation of the affected ~~land~~
 14 by the department. The applicant shall submit a bond that is no less than the amount determined by the
 15 department.

16 (2) (a) ~~For opencut-mining opencut~~ opencut operations on federal land within the state, the department may
 17 accept a bond payable to the state of Montana and the federal agency administering the land. The bond must
 18 provide at least the same amount of financial guarantee as required by this part.

19 (b) The bond must provide that the department may forfeit the bond without the concurrence of the
 20 federal land management agency. The bond may provide that the federal land management agency may forfeit
 21 the bond without the concurrence of the department. Upon forfeiture by either agency, the bond must be payable
 22 to the department and may also be payable to the federal land management agency. If the bond is payable to
 23 the department and the federal land management agency, the department, before accepting the bond, shall enter
 24 into an agreement or memorandum of understanding with the federal land management agency providing for
 25 administration of the bond funds in a manner that will allow the department to provide for compliance with the
 26 requirements of this part, the rules adopted under this part, and the permit.

27 (3) In lieu of ~~the submitting a surety bond pursuant to subsection (1),~~ the operator may ~~deposit with the~~
 28 ~~department~~ submit cash, government securities, a letter of credit in a form acceptable to the department, or a
 29 bond with property sureties in an amount equal to that of the required bond on conditions as prescribed in this
 30 part. In the discretion of the department, surety bond requirements may be fulfilled by the operator's posting a

1 bond with land and improvements and facilities located on the land as security, in which event a surety may not
 2 be required but the department may require that the amount of the bond be adjusted to reimburse the department
 3 for foreclosure costs.

4 ~~(4)~~ The ~~penalty of the bond or amount of cash and securities~~ other security must be increased or
 5 reduced ~~from time to time~~ as provided in this part.

6 ~~(5)~~ The bond or security remains in effect until the affected land has been reclaimed as provided under
 7 the permit and the ~~reclamation has been approved and the bond or security has been released by the department~~
 8 department has approved the reclamation and released the bond or security. The bond or security may cover only
 9 actual affected land and ~~may~~ must be increased or reduced to cover only ~~those~~ unreclaimed acreages ~~as remain~~
 10 unreclaimed.

11 ~~(4)(6)~~ If the license of a surety ~~upon~~ that has issued a bond filed with the department pursuant to this
 12 part is suspended or revoked, the operator, within 30 days after receiving notice of the suspension or revocation
 13 from the department, shall substitute ~~for that surety~~ a good and sufficient bond from another surety licensed to
 14 do business in the state or shall submit another type of security pursuant to subsection (3). Upon failure of the
 15 operator to make the bond substitution of surety within the 30-day time period, the department ~~may~~ shall suspend
 16 the permit of the operator to conduct open-cut operations upon the land described in the permit until the
 17 substitution has been made. If the operator demonstrates in writing that the operator has been pursuing a
 18 replacement bond in good faith but additional time is necessary to complete the transaction, the department may
 19 grant up to an additional 60 days for the operator to submit a replacement bond before suspending the permit.

20 ~~(5)~~ The department shall cause the reclamation of any affected land with respect to which a bond has
 21 ~~been forfeited~~.

22 ~~(6)(7)~~ Whenever an operator has completed all of the reclamation requirements under the provisions
 23 of this part as to any affected land, the operator shall notify the department of the completed requirements and
 24 may request bond release. If the ~~board~~ department releases the operator from further obligation regarding any
 25 affected land, the ~~penalty of the bond~~ must be reduced proportionately. The department shall notify the operator
 26 and the landowner in writing of the decision on the bond release application."

27

28 **Section 13.** Section 82-4-434, MCA, is amended to read:

29 **"82-4-434. Reclamation plan part of permit Plan of operation -- requirements.** The reclamation plan
 30 must meet the following requirements:

1 ~~_____ (1) The department shall submit each reclamation plan or operator-proposed amendments to the~~
 2 ~~reclamation plan to the landowner for recommendations and shall consider those recommendations in deciding~~
 3 ~~whether to approve or disapprove any plan or operator-proposed amendments. The department may seek~~
 4 ~~technical help from any state or federal agency.~~ (1) The department shall immediately submit the a plan of
 5 operation received in a permit or permit amendment application involving expansion of the permit area
 6 immediately to the state historic preservation office for evaluation of possible archaeological or historical values
 7 in the area to be mined.

8 (2) The department ~~may approve~~ shall accept a reclamation plan of operation only if the department has
 9 found finds that the plan ~~provides for the best possible reclamation under the circumstances at the time, so~~
 10 complies with the requirements of this part and the rules adopted pursuant to this part and that after mining
 11 ~~operations are~~ the opencut operation is completed, the affected land will be reclaimed to a productive use. Once
 12 the reclamation plan of operation is accepted, ~~in writing,~~ by the department, ~~the plan must become~~ it becomes
 13 a part of the permit but is subject to annual review and ~~modification~~ amendment by the department. Any
 14 ~~modification~~ amendment by the department must comply with the provisions of 82-4-436(2).

15 (2)(3) The department may not ~~approve a reclamation plan or~~ accept a plan of ~~operations~~ operation
 16 unless the ~~plans provide~~ plan provides:

17 (a) that the affected land will be reclaimed for one or more specified uses, including but not limited to
 18 forest, pasture, orchard, cropland, residence, recreation, industry, habitat for wildlife, including food, cover, or
 19 water, or other reasonable, practical, and achievable uses;

20 (b) ~~that to the extent reasonable and practicable, the operator will establish vegetative cover~~
 21 ~~commensurate with the proposed land use;~~

22 (e)(b) ~~that~~ whenever ~~operations result~~ the opencut operation results in a need to prevent acid drainage
 23 or sedimentation on or in adjoining lands or streams, ~~for the construction of earth dams~~ catchments, ponds, or
 24 other reasonable devices to control water drainage and sediment will be constructed and maintained, provided
 25 the ~~formation of the impoundments or~~ devices will not interfere with other landowners' rights or contribute to water
 26 pollution;

27 (d)(c) ~~that to accomplish practical utilization of soil~~ and other suitable overburden materials, the material
 28 will be salvaged and ~~utilized for placement~~ replaced on affected ~~areas~~ land, if when required by the reclamation
 29 ~~plan by the postmining land use,~~ after completion or termination of that particular phase of the opencut operation
 30 mining operations, at a depth sufficient for plant growth on slopes of 3:1 or less. The depth of soil and other

1 suitable overburden materials to be placed on the reclaimed area must be specified in the plan.

2 ~~(e)(d)~~ that grading will be commensurate with the result in a postmining topography ~~sought and~~
3 conducive to the designated postmining land use ~~designated~~;

4 ~~(f)(e)~~ that ~~metal and other~~ waste will be ~~removed or buried~~ on site in a manner that protects water quality
5 and is compatible with the postmining land use or will be disposed of off site in accordance with state laws and
6 rules;

7 ~~(g)(f)~~ that all access, haul, and other support roads will be located, constructed, and maintained in ~~such~~
8 a manner ~~as to control and minimize channeling and other~~ that controls and minimizes erosion;

9 ~~(h)~~ that the operator will submit a progress report annually to the department;

10 ~~(i)(g)~~ that ~~all operations~~ the opencut operation will be conducted to avoid range and forest fires and
11 spontaneous combustion and that open burning of ~~carbonaceous materials~~ will be conducted in accordance with
12 suitable practices for fire prevention and control; Approval of the plan for fire prevention and control under this
13 part does not relieve the operator of the duty to comply with the air quality permitting and protection requirement
14 of Title 75, chapter 2.

15 ~~(j)(h)~~ that archaeological and historical values ~~in areas to be mined~~ on affected lands will be given
16 appropriate protection;

17 ~~(k)(i)~~ that except for those ~~postmine~~ postmining land uses that do not require vegetation, each surface
18 area of the mined premises that will be disturbed will be revegetated when its use for ~~extractive purposes~~ the
19 opencut operation is no longer required;

20 ~~(l)(j)~~ that seeding and planting will be done in a manner to achieve a permanent vegetative cover that
21 is suitable for the ~~postmine~~ postmining land use and that retards erosion ~~and that all seed will be drilled unless~~
22 ~~otherwise provided in the plan~~;

23 ~~(m)(k)~~ that reclamation will be as concurrent with ~~mining operations~~ the opencut operation as feasible
24 and will be completed within a specified length of time;

25 ~~(n)(l)~~ that surface water and ground water will be given appropriate protection, consistent with state law,
26 from deterioration of water quality and quantity that may arise as a result of the opencut operation;

27 ~~(o)(m)~~ that noise and visual impacts on residential areas will be minimized to the degree practicable
28 through berms, vegetation screens, and reasonable limits on hours of operation; and

29 ~~(p)(n)~~ that any additional procedures, including monitoring, that are necessary, consistent with the
30 purposes of this part, to prevent significant physical harm to the affected land or adjacent land, structures,

1 improvements, or life forms will be implemented.

2 ~~(3)~~(4) If reclamation according to the plan of operation has not been completed in the time specified, the
3 department, after 30 days' written notice, shall order the operator to cease mining and, if the operator does not
4 cease, may issue an order to reclaim, a notice of violation, or an order of abatement or may institute an action
5 to enjoin further operation and may sue for damages for breach of the conditions of the permit, for payment of
6 the performance bond, or for both.

7 ~~(4)~~(5) (a) At any time during the term of the permit, the operator may for good reason submit to the
8 department a new ~~reclamation~~ plan of operation or amendments to the existing plan, including extensions of time
9 for reclamation.

10 (b) The department may approve the proposed new ~~reclamation~~ plan of operation or amendments to the
11 existing plan if:

12 (i) the new plan of operation or amendments comply with the requirements of this section; and

13 (ii) (A) the operator has in good faith carried on reclamation conducted opencut operations according to
14 the existing plan of operation and ~~the proposed new plan or amendments to the existing plan will result in~~
15 ~~reclamation as or more desirable than the reclamation proposed under the existing plan; or~~

16 (ii)(B) it is highly improbable that reclamation will be successful unless the existing plan of operation is
17 replaced or amended.

18 (c) ~~When accepted, the proposed new reclamation plan or the proposed amendments to the existing plan~~
19 ~~become a part of the permit.~~

20 ~~—(5) The operator shall provide a performance bond or an alternative acceptable to the department in an~~
21 ~~amount commensurate with the estimated cost of reclamation, but in no case may the bond be less than \$200~~
22 ~~an acre. The estimated cost of reclamation must be set forth in the reclamation plan.~~

23 (6) The permit, ~~reclamation~~ plan of operation, and amendments accepted by the department are a public
24 record and are open to inspection.

25 ~~(7) The permit is effective when signed by the department and the operator and remains in force until~~
26 ~~terminated by mutual consent or by the department upon 6 months' notice."~~

27

28 **Section 14.** Section 82-4-436, MCA, is amended to read:

29 **"82-4-436. Plan amendments --venue by department.** (1) Unless an amendment to a plan of
30 operation, ~~reclamation plan,~~ or other permit is proposed by the operator, the department may ~~modify~~ amend only

1 the terms of a plan or permit in compliance with this section.

2 (2) If the department believes, based on credible evidence, that a continued ~~open~~cut operation under
3 the terms of an existing plan of operation or permit would violate a substantive numerical or narrative state
4 standard or regulation or otherwise violate a purpose of this part, it may propose to the operator an amendment
5 to the plan or permit.

6 (3) The department shall notify the operator of the proposed amendment in writing. The notice must
7 include:

8 (a) an identification of the existing plan or permit;

9 (b) the justification for the amendment, including all test results or other credible evidence that the
10 department relied on in proposing the amendment; and

11 (c) the text, maps, drawings, and other appropriate information that constitute ~~of~~ the proposed
12 amendment.

13 (4) The operator may, within 15 days of receipt of the department's amendment notice, request a review
14 of the amendment by the department director. The amendment is not effective or enforceable until 15 days
15 following the issuance of the department's amendment notice or, if a review by the director is requested, until 15
16 days after the ~~department~~ director affirms or modifies the amendment ~~if a review by the director is requested~~. A
17 decision by the department director is subject to the contested case provisions in 82-4-427 of the Montana
18 Administrative Procedure Act, provided for in Title 2, chapter 4, parts 6 and 7.

19 (5) If the operator ~~does not appeal~~ requests a hearing on the proposed amendment, the amendment
20 ~~becomes is not~~ effective and enforceable ~~15 days after the operator receives the notification~~ until completion of
21 the contested case process.

22 ~~(6) An action to challenge the issuance of an amendment pursuant to this section must be brought in~~
23 ~~the county in which the activity is proposed to occur. If an activity is proposed to occur in more than one county,~~
24 ~~the action may be brought in any of the counties in which the activity is proposed to occur.~~

25 ~~————(7) A judicial challenge to an amendment issued pursuant to this section by a party other than the~~
26 ~~amendment holder or applicant must include the party to whom the amendment was issued unless otherwise~~
27 ~~agreed to by the amendment holder or applicant. All judicial challenges of amendments for projects with a project~~
28 ~~cost, as determined by the court, of more than \$1 million must have precedence over any civil cause of a different~~
29 ~~nature pending in that court. If the court determines that the challenge was without merit or was for an improper~~
30 ~~purpose, such as to harass, to cause unnecessary delay, or to impose needless or increased cost in litigation,~~

1 ~~the court may award attorney fees and costs incurred in defending the action."~~

2

3 **Section 15.** Section 82-4-441, MCA, is amended to read:

4 **"82-4-441. Administrative and judicial penalties -- enforcement.** (1) When the department has reason
5 to believe that a person is in violation of this part, a rule adopted or an order issued under this part, or a term or
6 condition of a permit issued under this part, it shall send a violation letter to the person. The violation letter must
7 describe the provision of the statute, rule, order, or permit alleged to be violated and the facts alleged to constitute
8 the violation. The letter must also recommend corrective actions that are necessary to return to compliance.
9 Issuance of a violation letter under this subsection does not limit the authority of the department under this part
10 to bring a judicial action for penalties or injunctive relief or to initiate an administrative enforcement action.

11 (2) By issuance of an order pursuant to subsection (5), the department may assess against a person
12 who violates any of the provisions of this part, rules adopted or orders issued under this part, or provisions of a
13 ~~reclamation~~ permit:

14 (a) an administrative penalty of not less than \$100 or more than \$1,000 for the violation; and

15 (b) an additional administrative penalty of not less than \$100 or more than \$1,000 for each day during
16 which a violation continues.

17 (3) The department may bring a judicial action seeking a penalty of not more than \$5,000 against a
18 person who violates any of the provisions of this part, rules adopted or orders issued under this part, or provisions
19 of a permit and a penalty of not more than \$5,000 for each day that the violation continues. In determining the
20 amount of the penalty, the district court shall consider the factors in subsection (4).

21 (4) Penalties assessed under this section must be determined in accordance with the penalty factors
22 in 82-4-1001.

23 (5) (a) In addition to the violation letter sent pursuant to subsection (1), the department may also issue
24 an order if it has credible information that a violation listed in subsection (2) has occurred. The order must specify
25 the provision of the part, rule, order, or permit alleged to be violated and the facts alleged to constitute the
26 violation. The order may require necessary corrective action within a reasonable period of time, may assess an
27 administrative penalty determined in accordance with this section, or both. The order must be served personally
28 or by certified mail.

29 (b) An order issued pursuant to subsection (5)(a) becomes final unless, within 30 days after the order
30 is served, the person to whom the order is issued submits to the board a written request for a hearing stating the

1 reason for the request. Service of an order by mail is complete 3 business days after mailing. If a request for a
 2 hearing is filed, a hearing must be held within a reasonable time under the contested case provisions of the
 3 Montana Administrative Procedure Act, Title 2, chapter 4, part 6. After a hearing, the board shall affirm, modify,
 4 or rescind the order.

5 (6) The department may bring an action to enjoin an operator or other person violating or threatening
 6 to violate this part, rules adopted pursuant to this part, or a permit issued pursuant to this part. Actions for
 7 injunctions or penalties must be filed in the district court of the county in which the opencut ~~mine~~ operation is
 8 located or, if mutually agreed on by both parties in the action, in the first judicial district, Lewis and Clark County.

9 (7) The provisions of this section do not limit the authority of the department to bring a judicial action for
 10 penalties or injunctive relief prior to or instead of initiating an administrative enforcement action under this part."
 11

12 **NEW SECTION. Section 16. Suspension and revocation orders.** (1) (a) The department may, after
 13 affording the operator an opportunity for an informal conference, order the suspension of a permit if:

14 (i) the operator fails to comply with a penalty order or a corrective action order issued pursuant to
 15 82-4-441; or

16 (ii) the operator has violated this part, a rule adopted pursuant to this part, or the permit and the violation
 17 could reasonably be expected to create a danger to the health or safety of persons outside the permit area or
 18 significant environmental harm to land, air, or water. The order of suspension must be served on the operator
 19 personally or by certified mail addressed to the permanent address shown on the most recently filed annual
 20 report. The order of suspension must specify the provision of this part, the rules adopted under this part, or the
 21 permit violated and the facts alleged to constitute the violation and must, if the violation has not been corrected,
 22 order corrective action within a specified time period.

23 (b) The department may order immediate suspension of a permit whenever it finds that a violation of this
 24 part, the rules adopted under this part, or a permit is creating an imminent danger to the health or safety of
 25 persons outside the permit area. The order must require immediate corrective action.

26 (c) The operator upon whom an order is served may file a request for hearing with the board within 30
 27 days of service of the order. The request for hearing must specify the reason for the request. The filing of a
 28 request for hearing on an order issued does not stay the suspension or corrective action requirement, but the
 29 board may, upon written request of the operator, stay either or both of these requirements.

30 (2) If the operator has not complied with the requirements set forth in the order of suspension within the

1 time limits set in the order, the permit may be revoked by order of the department and the performance bond
2 forfeited to the department. The operator may request a hearing before the board by submitting a written request
3 stating the reason for the request to the board within 30 days after service of the order. If a hearing is requested
4 within the 30-day period, the permit may not be revoked and the bond may not be forfeited until the board makes
5 a final decision.

6 (3) If an operator fails to file the report required under [section 1], the department shall serve personally
7 or by certified mail a notice letter informing the operator of the failure. If the operator does not file the report within
8 30 days of receipt of the letter, the department may issue a penalty order pursuant to 82-4-441 or a suspension
9 order pursuant to this section. If the permit has been suspended, the department shall reinstate the permit upon
10 compliance.

11 (4) Maintenance, monitoring, reporting, reclamation, and other activities required by statute, rule, or the
12 permit and intended to protect public health or safety or the environment must continue during any period of
13 suspension unless otherwise provided in the order.

14
15 **NEW SECTION. Section 17. Codification instruction.** [Sections 1 and 47 16] are intended to be
16 codified as an integral part of Title 82, chapter 4, part 4, and the provisions of Title 82, chapter 4, part 4, apply
17 to [sections 1 and 47 16].

18
19 **NEW SECTION. Section 18. Repealer.** Sections 82-4-421 and 82-4-423, MCA, are repealed.

20 - END -